

ZENA M. KARELIN, PLAINTIFF,	§	IN THE DISTRICT COURT
	§	
VS.	§	296 TH JUDICIAL DISTRICT
	§	
ADVANTAGE CONFERENCES, LLC, TIMOTHY S. DARNELL, INDIVIDUALLY, JACK M. WEINZIERL, INDIVIDUALLY, AND JAMES MCHUGH, INDIVIDUALLY DEFENDANTS.	§ § § § § § §	
	§	COLLIN COUNTY, TEXAS

PLAINTIFF'S SECOND AMENDED ORIGINAL PETITION

COMES NOW Plaintiff, Zena M. Karelin, complaining of Defendants, Advantage Conferences, LLC, Timothy S. Darnell, Individually, Jack M. Weinzierl, Individually, and James McHugh, Individually, and would show the Court as follows:

DISCOVERY LEVEL

1. DISCOVERY IS INTENDED TO BE CONDUCTED UNDER LEVEL 2 OF RULE 190 OF THE TEXAS RULES OF CIVIL PROCEDURE.

PARTIES

2. Plaintiff, Zena M. Karelin, is an individual who resides in Modesto, California.
3. Defendant, Advantage Conferences, LLC has appeared herein.
4. Defendant, Timothy S. Darnell has appeared herein.
5. Defendant, Jack M. Weinzierl has appeared herein.
6. Defendant, James McHugh has appeared herein.

VENUE

7. Venue of this suit is proper in Collin County, Texas because a substantial part of the acts or omissions giving rise to Plaintiff's causes of action occurred in Collin County, Texas and because at least one of the Defendants resides in Collin County and so venue is proper as to all of the Defendants.

CAUSES OF ACTION

FRAUD AND CONSPIRACY

8. Based on information and belief, Plaintiff states that Defendants, acting separately, jointly, and/or in concert made material misrepresentations to Plaintiff in order to induce Plaintiff into investing money in the Advantage Conferences "Christ-center business opportunity" or alternatively, concealed material facts from Plaintiff that, had those facts been known by Plaintiff, Plaintiff would not have invested such funds into such venture.
9. Based on information and belief, Defendants knew that these representations were false when made or the representations were asserted without knowledge of the truth of the representations. Defendants also knew the misrepresented and/or concealed facts were material to the investment being made by Plaintiff.
10. Based on information and belief, Defendants intended that Plaintiff rely on the representations.
11. Plaintiff relied on these representations.

12. As a direct and proximate result of the misrepresentations and/or concealment of facts by Defendants, Plaintiff has sustained damages in excess of the minimum jurisdictional limits of the Court.
13. Based upon information and belief, these false, misleading and deceptive representations made to Plaintiff and the concealment of material facts were part of the common scheme and common devices used by Defendants in their conspiracy to induce Plaintiff and hundreds of other individuals to invest money into the Advantage Conferences “Christ-center business opportunity.” This conspiracy by the Defendants proximately caused damages to Plaintiff in an amount in excess of the minimum jurisdictional limits of the Court.
14. Defendants’ conduct as described above was malicious, willful, and intentional and the tortious conduct occurred in whole or in part in Collin County, Texas. Accordingly, Plaintiff requests that exemplary damages be awarded against Defendants.

DECEPTIVE TRADE PRACTICES ACT

15. Defendants’ conduct described above also violated the Texas Deceptive Trade Practices Act (“DTPA”) and, as such, Defendants are liable to Plaintiff pursuant to that statute.
16. Plaintiff also is entitled to her reasonable attorneys’ fees pursuant to section 17.50(d) of the DTPA.
17. The acts and practices described above violate DTPA sections 17.46(b) (3), (5), (7), (12), and (24). The conduct was also an unconscionable action or course of

action as described in DTPA section 17.45(5), in that it took advantage of Plaintiff's lack of knowledge, ability and experience and capacity to a grossly unfair degree and because it resulted in a gross disparity between the consideration paid in the transaction and the value received. With respect to these causes of action, the conduct described above was the producing cause or causes of actual damages to Plaintiff.

18. Defendants had an actual awareness of the false, deception, and unfairness of the acts and practices set forth above. Alternatively, Defendants committed the acts and practices above intentionally. Accordingly, Defendants are liable to Plaintiff for additional damages provided for by Section 17.50(b) (1) of the DTPA.
19. No written notice of the claims made in this Petition under the DTPA was given prior to filing this suit because the statute of limitations applicable to this action was expected to expire during the notice period.

ALTER EGO LIABILITY

20. On December 27, 2007, the Plaintiff filed an action against Advantage Conferences, LLC alleging fraud, conspiracy, and deceptive trade practices, in this Court. On November 17, 2009, in such action the Plaintiff obtained a judgment in the amount of \$361,185.28 against Defendant Advantage Conferences, LLC.
21. Defendant Timothy S. Darnell is jointly and severally liable for the wrongful conduct of Defendant Advantage Conferences, LLC and for payment of the judgment identified in Paragraph 20 above, because Darnell is the alter ego of

Advantage Conferences, LLC. In support of this claim, the Plaintiff will show, among other things, that:

- a. Based upon information and belief, Defendant Darnell is the sole owner, sole manager, and President of Defendant Advantage Conferences, LLC.
- b. Based upon information and belief, Defendant Darnell and Advantage Conferences, LLC do not maintain separate offices, but rather Advantage Conferences, LLC's alleged office address is actually the location of Defendant Darnell's personal residence.
- c. Based upon information and belief, Defendant Darnell has frequently used the corporate checking account to pay personal debts, and is not believed to have regularly reimbursed the corporate entity for these expenditures.
- d. Based upon information and belief, it is believed that the assets used by Advantage Conferences, LLC in its business are actually owned by Defendant Darnell, and it is not believed that the defendant corporation has any assets of its own.
- e. Based upon information and belief, no stock has ever been issued by the Defendant Advantage Conferences, LLC.
- f. Based upon information and belief, Defendant Darnell formed Advantage Conferences, LLC, solely for his own personal benefit and to avoid personal liability for any obligations incurred in the course of business.

PRAYER

WHEREFORE, THE ABOVE PREMISES CONSIDERED, Plaintiff Zena M. Karelin respectfully requests that Defendants be cited to appear and answer, and upon final trial, Plaintiff have judgment against the Defendants for the following:

1. Actual damages and exemplary damages against Defendants in an amount in excess of the minimum jurisdictional limits of the Court;
2. Additional damages provided for by Section 17.50(b)(1) of the Texas Deceptive Trade Practices Act;
3. Attorney's fees pursuant to section 17.50(d) of the Texas Deceptive Trade Practices Act;

4. Pre-judgment and post-judgment interest at the maximum legal rate;
5. Cost of courts; and
6. Such other and further relief to which Plaintiff may be justly entitled.

Respectfully submitted,

Law Office of
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By: 

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ATTORNEYS FOR PLAINTIFF

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above Plaintiff's First Amended Original Petition was served via facsimile on this 4th day of March, 2010 on Timothy S. Darnell, pro se and all attorneys of record.


Thomas J. Foster